

LEADING THE WAY CITY OF NEW BRITAIN

MAYOR'S BUDGET FY 2017-2018



Mayor Erin E. Stewart
WEDNESDAY APRIL 12, 2017

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BUDGET TEAM

A COLLABORATIVE EFFORT

- **Mayor Erin E. Stewart**

- Jodi Latina, Chief of Staff

- Lori A. Granato, Finance Director

- Jonathan M. Perugini, Deputy Finance Director

- Amy Goldsberry, Fiscal Officer

- All Department & Division Heads



FY 2017-2018 BUDGET TIMELINE

- January 13, 2017 Dept. requests due to Mayor & BOFT
- January 26, 2017 BOF receives compiled budgets
- March 7, 2017 BOF presents budget to Mayor
- April 12, 2017 Mayor presents her budget to Council
- April 25, 2017 Council Public Hearing
- June 1, 2017 Council adopts final budget

LOOKING BACK

- ◉ **2014 - 2015 STABILITY AND RESPONSIBILITY**
- ◉ **2015-2016 INVESTING IN A STRONGER TOMORROW**
- ◉ **2016-2017 S.M.A.R.T**
- ◉ **2017-2018 LEADING THE WAY**

STABILITY AND RESPONSIBILITY (FY 14-15)

- Took steps necessary to stabilize the budget
- Solved \$30 million operating deficit
- Critical shortage of cash
- Staring at bankruptcy
- Cancelled \$20 million in existing debt authorizations
- Worked with unions to discuss future savings in high deductible healthcare plans

INVESTING IN A STRONGER TOMORROW (FY 15-16)

- First year with a significant surplus
- First year with Grand List growth
- First bond upgrade
- Focused on debt restructuring
- Initiated 3 year forecasting model for budget
- First zero-based budget
- Became stable enough to focus more on economic development and infrastructure projects

S.M.A.R.T. BUDGET (FY 16-17)

- First budget with HSA savings
- Another bond upgrade (A+)
- Fund balance grew to \$15 million
- SMART government structure re-org
- Supported education
- Projected surplus

LEADING THE WAY (FY 17-18) MAYOR'S BUDGET SUMMARY

- Focuses on Government efficiencies
 - City Hall Reorganization
- Calls for out of the box solutions
 - Actively engaged Department Heads in budget process
- Continues with debt management plan
- Realistic given the fiscal realities we face
- No Layoffs

And....

NO TAX INCREASE*

*PENDING STATE BUDGET....

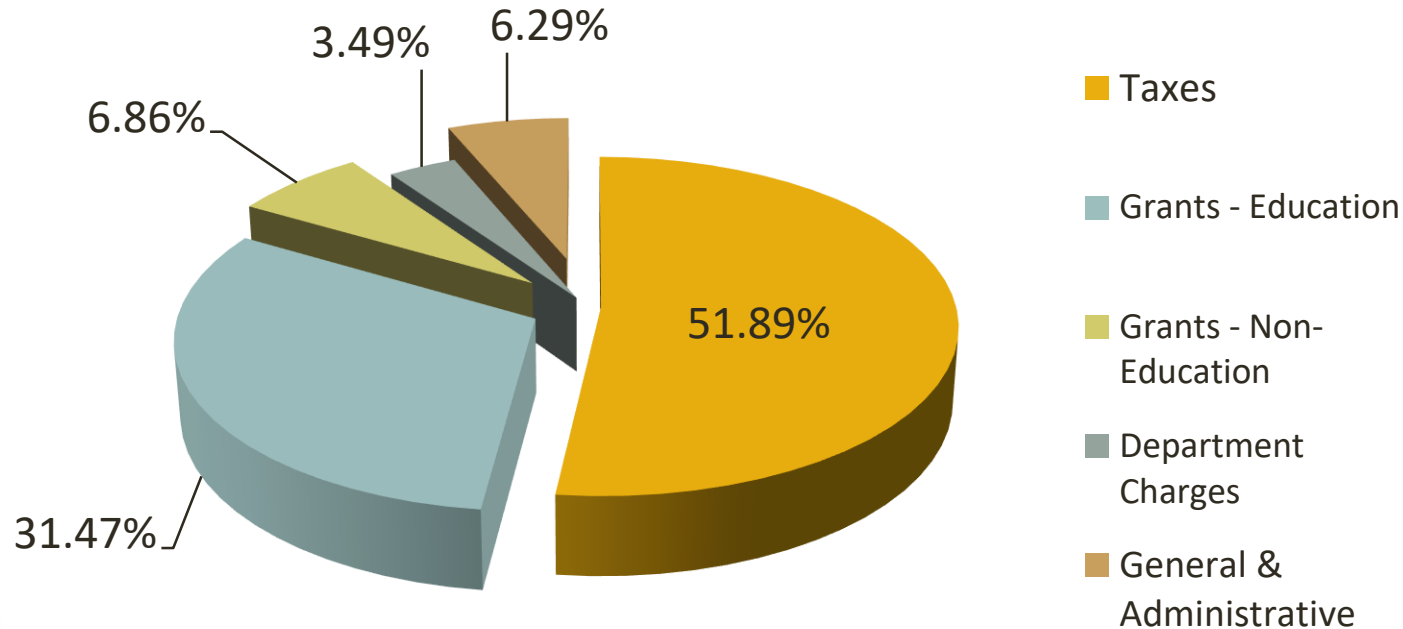


FY 2018 BUDGET COMPARISON

- Last year: \$239,370,049
- This year: \$241,537,535
- No change in mill rate
 - Grand List grew by 1 %, expenses grew by 1%

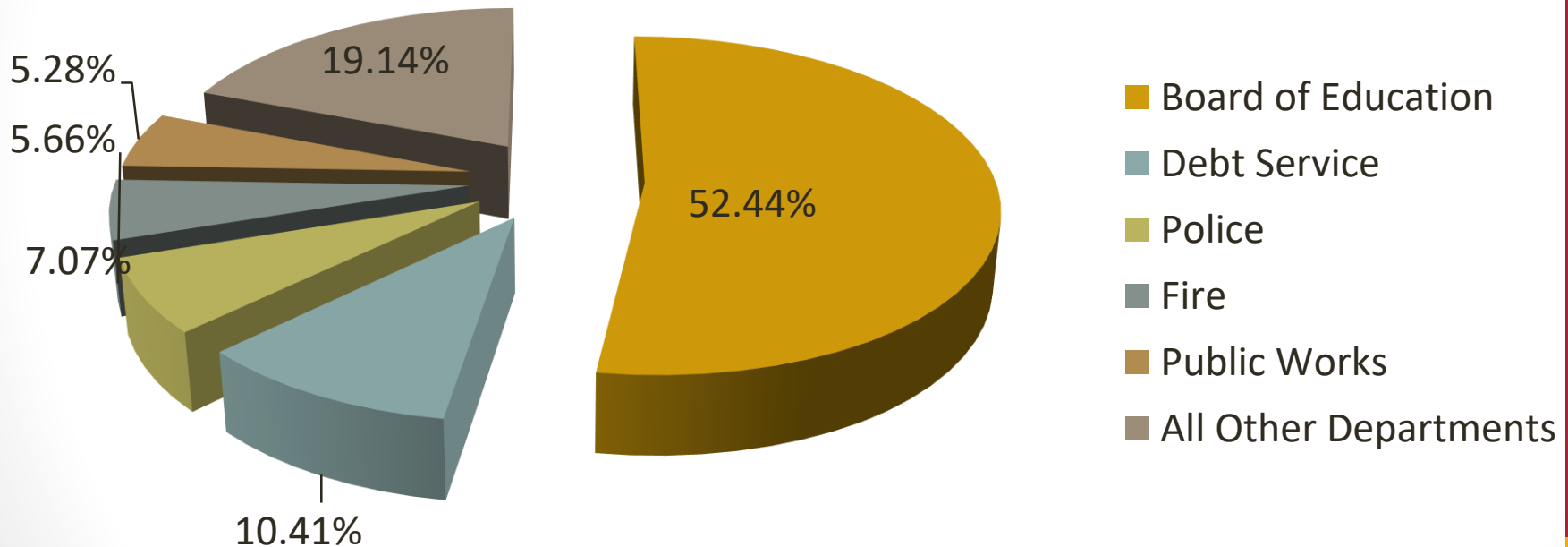
WHERE THE MONEY COMES FROM

General Fund Revenues



WHERE THE MONEY GOES

General Fund Expenditures



SAVINGS

- Reorganization savings
- Energy savings
- Overtime reductions
- Debt restructuring
- Health care savings



REVENUES

- Grand List
- Event policy changes
- Fee Increases
- Delinquent Collection
- Personal Property Audits



THINGS THIS YEAR ARE DIFFERENT.....

HOW ARE THINGS DIFFERENT?

Our focus has to be different

- Zero-based budget – cut to the core – BF&T cut all they could
- Paying for past sins- outstanding debt
- Labor costs and contracts rise year after year
- Lack of stability in state budget
- Dealing with only big picture problems which are very difficult to control – 2 problems that are beyond our control...

BEYOND OUR CONTROL

REVENUE

- Weak state economy
- 50% tax exempt property
- 98% developed
- Brownfields – 2x cost to develop
- Declining population in Hartford County

DEBT

- Old debt – POB's
- Rising interest rates
- Rapid debt repayment
- Past deal structures
- \$36 Million due in FY 19-20

WE ARE LEADING THE WAY IN...

- Management
- Transparency
- Urban Development
- Innovation
- Infrastructure



MANAGEMENT

- USB language for debt relief
- Cross training labor force
- Timeclock/scheduling
- TMA/TaxServ
- Employee Handbook/accountability
- Marketing Campaign
 - Bring much needed tourism to the city

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Experience the NEW




TRANSPARENCY

- Website
 - Granicus Software
- Open door policy
- Customer service focus
- Social media use




Join Mayor Erin
Tonight for the



State of the City Address

7:00 PM
March 8, 2017

 **#40Live**

URBAN DEVELOPMENT

- DECD constant contact
- 200+ new jobs and welcomed 23 new businesses
 - 7 existing businesses expanded: Borinquen, MicroCare, JH Metal Finishing, Pryor Electric, Cracovia, Crystal Ballroom
 - Opening soon: CMHA, The Howard Law Firm, Bacio Café, Mofongo, Alvarium Beer Company, Yo-Yo Ice Cream, Hardware City Café, Back 9
- New Economic Development Toolbox
 - TIF & IHZ
- Grants Administrator position filled and proactive
- Historic Walking Tour
- TOD Master Plan 'Creating Hives of Activity'
 - Planning focus on CTfastrak locations



INNOVATION

- SMART City plan implementation 2016
- Energy Management Focus
 - New hire
- First Fuel Cell at NBHS saving electric costs
- Downtown Wi-Fi
- Traffic light alignment
- Downtown Parking Meter upgrades
- See.Click.Fix



INFRASTRUCTURE

- Complete Streets Master Plan
- Phase 4 & 5 to begin this year
 - Bank Street and Beehive Bridge
- Funding secured for Phase 6 (NewBrite Plaza)
- Broad Street finally will be complete end of summer
- Hart Street reconstruction project began 3/20
- Secured grant funding Eddy Glover Blvd realignment



ROAD IMPROVEMENTS

- \$2 Million road paving program
 - \$800,000 increase
 - LOCIP/general fund/combination other grants/TAR
 - 42 streets to be completed this summer



ADVOCATING FOR EDUCATION

- CCJEF case moving along
- Smalley Academy Renovation \$\$
- Schools of Excellence
- Partnerships



MAINTAINING RELATIONSHIPS...



AWARDS & RECOGNITIONS

- Complete Streets Masterplan award from the American Council of Engineering Companies of CT
- CT Trust for Historic Preservation & CT Main Streets recognized the New Britain Historic Walking Trail with the CT Preservation Award & Excellence Award
- Working Cities Challenge Grant Finalist
- All-America City 2016 National Civic League
- Invest Health Grant Award Recipient
- CTNEXT – Innovation Places Grant – Finalist
- Harlan Griswold Award for Historic Preservation



INVEST HEALTH
Strategies for Healthier Cities



COMING SOON:
WWW.VISITNBCT.COM



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TROUBLE UNDER THE GOLDEN DOME...

Looming Cuts:

- LOCIP
- ECS
- Car Tax
- Teachers Pension (-) \$7.5 Million
- PILOT elimination
- MRSA reduction
- Arts Funding
- After School Programming
- TAR

THINGS COULD BE WORSE...

WHAT THIS BUDGET DOESN'T DO...

- Doesn't Discontinue trash pickup
- Doesn't Discontinue leaf pickup
- Doesn't Eliminate parks and rec
- Doesn't Eliminate community services division
- Doesn't Close 2 fire stations/reduce workforce
- Doesn't Reduce police force
- Doesn't Sell Senior Center and cancel activities
- Doesn't eliminate City Hall staff
- Doesn't Sell entire water department
- Doesn't Sell Stanley golf course
- Doesn't Sell Fairview cemetery

MAINTAINS SERVICES

The proposed budget shows that we have been able to maintain the quality of services expected by the community in spite of decreased revenues



Mayor Erin E. Stewart Presents:

Main Street U.S.A.

NEW BRITAIN, CONNECTICUT

LOOKING AHEAD

- This proposal is all subject to change between now and July 1, 2017.
- Council will now have until June to make changes to Mayor's proposal.
- Conditions at the state level continue to drive serious concerns over municipal aid levels going forward
- Budgets are meant to be estimates based on prior year actuals and good faith projections for the coming year

LEADING THE WAY



Mayor
Erin E. Stewart